

## CONSUMER ALERT

While many telephone sales calls are made on behalf of legitimate organizations offering bona fide products and services, some unsolicited phone sales calls can be frauds. That's why the Federal Trade Commission and the State of Montana, Department of Administration, Consumer Protection, encourages you to be skeptical when you get a call.

Fraudulent telemarketers may get your phone number from a telephone directory, mailing list, or "sucker list," a directory of consumers who have already lost money to fraudulent prize promotions or merchandise sales. Sucker lists include names, addresses, phone numbers - even how much money you may have spent on telemarketing scams. Unscrupulous promoters buy and sell sucker lists on the theory that consumers who have been deceived once are easy prey for additional scams.

The FTC's Telemarketing Sales Rule and the Montana Telemarketing Fraud and Prevention Act helps protect you from abusive and deceptive telephone sales practices. These laws restrict calling times to the hours between 8 a.m. and 9 p.m., and put other limits on telemarketers, too. For example:

- \* Telemarketers must tell you it's a sales call, the name of the seller, and what they're selling before they make their pitch. If they're pitching a prize promotion, they must tell you that no purchase or payment is necessary to enter or win.
- \* It's illegal for telemarketers to lie about their goods or services; earnings potential, profitability, risk, or liquidity of an investment; or the nature of a prize in a prize-promotion scheme.
- \* Before you pay, telemarketers must tell you the total cost of the goods they're selling; any restrictions on getting or using them; and if a sale is final or non-refundable. In a prize promotion, they must tell you the odds of winning, that no purchase or payment is necessary to win, and any restrictions or conditions of receiving the prize.
- \* It's illegal for a telemarketer to withdraw money from your checking account without your express written authorization.
- \* Telemarketers cannot lie to get you to pay, no matter what method of payment you use.
- \* You do not have to pay for credit repair, recovery, or advance-fee loan or credit services until these services have been delivered.
- \* It's illegal for a telemarketer to call you if you have asked not to be called.

You may not be able to put a stop on calls, but you can learn how to spot those that spell **F-R-A-U-D**. Here's how:

1. Say no to high-pressure sales tactics. Legitimate businesses respect the fact that you're not interested.
2. Tell callers if you don't want to hear from them again. If they call back, they're breaking the law. You can feel comfortable hanging up.
3. Take your time when you're presented with a sales "opportunity." Ask for written information about the product, service, investment opportunity, or charity that's being pitched. Don't talk with a salesperson if it's not convenient for you. A reputable salesperson should be willing to call you back at a time you choose.
4. Talk to a friend, relative, or financial advisors before you respond to a cold call. Any investment you make may have serious financial consequences for you- and the people you care about.
5. Hang up if you're asked to pay for a prize. Free is free.
6. Don't send money - cash, check, or money order - by courier, overnight delivery, or wire to anyone who insists on immediate payment.
7. Keep information about your bank accounts and credit cards to yourself - unless you know whom you're dealing with.
8. Hang up if a telemarketer calls before 8 a.m. or after 9 p.m. That's a tip off to a rip off.
9. Check out the company with your state consumer protection office before you buy any product or service, or donate money.
10. If you suspect a scam call:

MT Dept of Administration, Consumer Protection, Telemarketing Unit (406) 444-4500 or

The National Fraud Information Hotline 1-800-876-7060 or

Federal Trade Commission (FTC) 1-877-382-4357

PhoneBusters for Canadian Scams 1-888-495-8501